

Form ST - Sales, Use, and Gross Receipts Tax Return instructions

General and specific line instructions for Form ST

General instructions

Every permit holder must file a return for each reporting period even if no sales were made or no tax is due.

A preprinted return, taxpayer copy with instructions, and return envelope are mailed in the final week of the reporting period to every registered permit holder that files a paper return. DO NOT mail a paper return if you file electronically. For information about electronic filing see www.nd.gov/tax.

Please review the preprinted copy of your return before completing the taxpayer copy of your return. The original return has been preprinted specifically for your business.

All returns are due the last day of the month following the reporting period.

To avoid penalty, the return must be postmarked by the US Postal Service on or before the due date and paid in full with a valid check or money order.

For best results, complete the original customized form and mail it in the return envelope provided.

DO NOT send photocopies. Returns generated from a software package are acceptable if the Tax Commissioner has pre-approved the form and the required identifying information is provided.

If you use an approved software package to prepare your return it is essential to enter the following identifying information properly:

- **Account number.** Enter the account number as shown on your preprinted form.
- **Period ending.** Enter the last day of the tax-reporting period.
- **Due date of return.** Enter the last day of the month following the tax-reporting period.

Line instructions - State Taxes

Line 1 - Enter the total sales for the reporting period. Do not include the sales tax in this amount.

Line 2 - Enter the total nontaxable sales. Nontaxable sales include:

- Sales to federal, state, and local governments.
- Sales to nursing homes, hospitals, intermediate/basic care facilities, emergency medical services providers licensed by North Dakota Dept. of Health, assisted living facilities

licensed by the North Dakota Dept. of Human Services, and voluntary health associations.

- Sales of food and food ingredients for humans excluding prepared food, candy, soft drinks, and dietary supplements.
- Sales of feed, seed, and chemicals used for agricultural purposes.
- Sales of used farm machinery and farm machinery repair parts used exclusively for agricultural purposes (applicable for Farm Machinery Gross Receipts Tax only); electricity; water; steam for ag processing; motor and heating fuel.
- Sales of oxygen, prescription drugs, durable medical equipment for home use, mobility-enhancing equipment, prosthetic devices, diabetic and bladder dysfunction supplies.
- Sales to Montana residents who complete a Certificate of Purchase on purchases of goods in excess of fifty dollars.
- Sales in interstate commerce (delivered outside North Dakota).
- Sales of nontaxable service.
- Sales for resale or processing.
- Trade-in allowance, bad debts, and returned merchandise.

Line 3 - Enter the cost of taxable goods and equipment consumed or used by you that was purchased without tax. For example, items removed from inventory and used by you.

Form ST Do's and Don'ts

Do

- Use the Taxpayer Copy as a worksheet.
- Complete and return original forms provided by the Tax Commissioner.
- Print in blue or black ink.
- Print neatly within the designated spaces.
- Round all values in lines 1 through 4 to the nearest whole dollar.
- Enter dollars and cents in lines 5 through 14 and for all local tax data.

Don't

- Don't enter dollar signs (\$), commas (,), or decimal points (.).
- Don't use dashes or other symbols to indicate you do not have an entry.
- Don't use pencil or light colored ink.

Line 4 - Add lines 1 and 3, and subtract line 2. Enter the result on line 4.

Line 5 - Multiply line 4 by the applicable tax rate and enter the result on line 5.

Line 6 - Add column A and B on line 5 and enter amount on line 6.

Line 7 - All permit holders reporting more than \$333,000 of taxable sales and purchases in the previous calendar year are required by law to file monthly returns. This law also provides monthly filers with a compensation of up to \$85 a month. If the Tax Commissioner's Office notified your company that it qualifies for compensation, multiply the total state tax on line 6 times 1½ percent (.015) and enter the result on line 7. **The compensation may not exceed \$85.** Compensation may not be deducted if the return is filed after the due date or is not paid in full.

Quarterly filers and monthly filers that are not required by law to file monthly do not qualify for compensation. If you are not eligible to claim compensation, line 7 of the preprinted form will have XXXs printed in this amount field. If you take compensation but are not eligible to take it, you will be billed for the additional tax due. Penalty and interest will be assessed on tax due resulting from unauthorized compensation deduction.

Line 8 - Subtract total compensation on line 7 from line 6 and enter the result on line 8.

Line 9 - Calculate penalty if filing a late return. Penalty is calculated separately for Column A and Column B.

- For the first month the return is late, the penalty is 5 percent of the state tax on line 5 or \$5, whichever is greater.
- For each additional month or fraction of a month the return is late, add an additional penalty of 5 percent of the state tax on line 5 up to a maximum of 25 percent.

Enter the penalty calculated for each column in item (a) and item (b) of line 9 and enter the total penalty in column B, line 9.

Line 10 - If filing a late return, enter the amount of interest due. Interest does not apply to the first month a return is late, but applies at a rate of 1 percent each month or fraction of a month the return remains late or unpaid.

Line 11 - Add lines 8, 9, and 10. Enter the result on line 11.

Local option sales, use, and gross receipts taxes

If you reported more than ten local taxes in the past year, use the Schedule ST-Local included with your return to report all local taxes due. If you reported ten or less local option taxes in the past year, the Local Option Tax section on Form ST is preprinted with information regarding each local jurisdiction you reported.

The **Schedule ST-Local** lists the cities and counties without compensation on page 1 and the cities and counties with compensation on page 2. Additional instructions are available on the department's web site or by contacting our office.

Instructions for reporting local option taxes:

- Report all local tax amounts in dollars and cents.
- Report all local taxes in one place. Do not report some local taxes on Form ST and other local taxes on Schedule ST-Local. If reporting ten or less local taxes, use the Local Option Tax section on Form ST. To report more than ten local taxes, report all on Schedule ST-Local.
- If you use Schedule ST-Local, all local codes, city/county names, and compensation rates are preprinted on the schedule. Additional ST-Local Schedules

and instructions are available at www.nd.gov/tax or by calling 701-328-3470.

- If you report local taxes in the Local Option Tax section on Form ST, and you are reporting a local tax for the first time, enter the local tax code, name of the city or county, and compensation rate from the list at the bottom of these instructions.

Column C—Total local option tax

Enter the total amount of tax due for each city or county. The tax due is equal to the correct amount of local sales or use tax you should have charged on sales made within the local jurisdiction plus any local use tax due on untaxed goods or services subject to use tax because they were stored, used or consumed within the local jurisdiction.

Column E—Compensation allowance

Some local jurisdictions provide compensation to permit holders for collecting and remitting local tax. Multiply the tax in column C times the compensation rate in column D. Compensation may not exceed the maximum amount listed below and is not allowed if the return is late or underpaid. **Note: If amount in column C is negative, enter zero in column E.**

Column F—Net local option tax due

Subtract the compensation in column E

from the total local tax in column C and enter the result.

Line 12—Net local option tax due

Add all of the amounts in column F and enter the result. This is the total amount of local tax due with the return.

Line 13—Local option penalty and interest

If the return is unpaid or filed after the due date, a local penalty is due. Penalty and interest, including the minimum \$5 penalty, applies separately to each jurisdiction with local tax due. On line 13, enter the total amount of all penalty and interest due on local taxes.

Line 14—Total due with return

Add lines 11, 12, and 13 to calculate the total amount due with the return.

Make your check payable to North Dakota Tax Commissioner.

The taxpayer or taxpayer's agent must sign the return. Please PRINT the name, title and phone number of a contact person who can answer questions about this return.

Office of State Tax Commissioner
600 E. Boulevard Ave, Dept. 127
Bismarck, ND 58505-0553
Phone: 701.328.3470
www.nd.gov/tax

Local Option Taxes: Code/Jurisdiction Name/Compensation Rate

| Tax Rate of 1% | | | | | |
|---------------------------------------|------------------------------|-------------------------------|--------------------------------|--|--|
| 203 Aneta ⁰ | 176 Edinburg ⁰ | 172 Hoople ³ | 197 Northwood ⁰ | 175 Velva ⁰ | 129 West Fargo ⁰ |
| 162 Ashley ¹ | 179 Elgin ⁰ | 185 Hope ⁰ | 189 Oxbow ⁰ | 160 Walhalla ⁰ | 184 Wilton ³ |
| 156 Beach ⁰ | 131 Ellendale ² | 117 Kenmare ⁰ | 208 Page ⁰ | 183 Washburn ³ | 205 Wimbledon ⁰ |
| 133 Belfield ⁰ | 166 Enderlin ⁰ | 135 Killdeer ⁰ | 119 Pembina ⁰ | 171 Watford City ³ | 155 Wishek ³ |
| 138 Berthold ⁰ | 206 Fairmont ⁰ | 165 Kulm ⁰ | 154 Powers Lake ³ | Other Rates | |
| 200 Beulah ² | 167 Finley ⁰ | 123 Langdon ³ | 198 Reeder ⁰ | 122 Bottineau ² 2% | 187 Michigan ⁰ 1½% |
| 102 Bismarck ³ | 177 Fort Ransom ⁰ | 128 Larimore ⁰ | 152 Regent ⁰ | 127 Cavalier ⁰ 1½% | 169 Milnor ⁰ 1½% |
| 126 Bowman ⁰ | 210 Gackle ⁰ | 181 Lidgerwood ⁰ | 159 Richardton ⁰ | 104 Devils Lake ³ 1½% | 103 Minot ⁵ 2% |
| 196 Buffalo ³ | 139 Garrison ⁰ | 121 Linton ² | 199 Rolette ⁰ | 106 Dickinson ⁰ 1½% | 153 Mott ⁰ 1½% |
| 161 Cando ² | 107 Grafton ³ | 136 Lisbon ⁰ | 118 Rugby ² | 105 Fargo ⁰ 1½% | 146 Oakes ³ 1½% |
| 124 Carrington ⁰ | 192 Grenora ⁰ | 108 Mandan ³ | 190 Scranton ⁰ | 101 Grand Forks ⁶ 1¾% | 130 Park River ⁰ 2% |
| 191 Carson ⁰ | 207 Gwinner ⁰ | 140 McClusky ⁰ | 186 St. John ³ | 168 Hillsboro ⁰ 2% | 151 Portland ⁰ 2% |
| 163 Casselton ⁰ | 143 Halliday ⁰ | 188 McVile ⁰ | 137 Stanley ³ | 110 Jamestown ⁰ 2% | 125 Rolla ⁰ 1½% |
| 141 Cooperstown ⁰ | 158 Hankinson ⁰ | 114 Mohall ⁰ | 147 Steele ⁰ | 149 LaMoure ⁰ 1½% | 113 Valley City ⁰ 1½% |
| 116 Crosby ⁰ | 202 Hannaford ⁰ | 173 Munich ² | 503 Steele County ⁰ | 193 Maddock ⁰ 1½% | 111 Wahpeton ⁴ 1½% |
| 209 Drake ⁰ | 112 Harvey ³ | 144 Napoleon ² | 120 Strasburg ² | 150 Mayville ⁰ 2% | 502 Walsh County ⁰ ¼% |
| 157 Drayton ⁰ | 164 Hatton ⁰ | 201 Neche ⁰ | 132 Tioga ⁰ | 178 Medora ⁰ 2½% | 109 Williston ³ 2% |
| 204 Dunseith ⁰ | 180 Hazelton ² | 194 New England ⁰ | 195 Tower City ⁰ | | |
| 148 Edgeley ² | 134 Hazen ³ | 174 New Leipzig ⁰ | 170 Towner ² | | |
| | 142 Hettinger ⁰ | 145 New Rockford ⁰ | 182 Turtle Lake ⁰ | | |
| 501 Cass County ⁰ ½% | Tax Repealed 4-1-03 | | | | |

⁰ The Local tax ordinance does not provide for permit holder compensation.

¹ Compensation rate is 3% up to a maximum amount of \$33.33 on a monthly return or \$100 on a quarterly return.

² Compensation rate is 3% up to a maximum amount of \$50 on a monthly return or \$150 on a quarterly return.

³ Compensation rate is 3% up to a maximum amount of \$83.33 on a monthly return or \$250 on a quarterly return.

⁴ Compensation rate is 3% with no maximum.

⁵ Compensation rate is 5% up to a maximum amount of \$83.33 on a monthly return or \$250 on a quarterly return.

⁶ Compensation rate is 5% up to a maximum amount of \$166.67 on a monthly return or \$500 on a quarterly return.

For questions on reporting the **6 percent sales tax on lodging**, please call us at 701-328-3470.

Office of State Tax Commissioner, 600 E. Boulevard Ave., Dept 127, Bismarck, North Dakota 58505-0553
Phone: (701)328-3470, www.nd.gov/tax